



Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

October 9, 1990

TO: Board of Oil, Gas and Mining

THRU: Dianne R. Nielson, Director

THRU: Lowell P. Braxton, Associate Director, Mining

FROM: D. Wayne Hedberg, Permit Supervisor *DWH*

RE: Request for Board Concurrence, Amount and Form of Replacement Reclamation Surety, Holnam Incorporated, Poverty Point Limestone Quarry, M/045/012, Tooele County, Utah

During the July 26, 1990 Board Hearing, the Board of Oil Gas and Mining granted conditional approval for the replacement surety provided by Holnam Incorporated (Holnam) for the Poverty Point Limestone Quarry. Holnam recently acquired this mining property from Ideal Basic Industries through a corporate merger. Holnam has assumed continued operations and reclamation responsibilities for this mine.

The Board's conditions to final approval required Holnam to provide proper signatures and re-notarization of pages 6 and 7 of the Reclamation Contract, FORM MR-RC. The Board requested that Holnam use the Division's revised May 30, 1990, Reclamation Contract form. Holnam has now satisfied these conditions.

Upon the Board's acceptance of the revised information, the Division will forward a final approval of the permit transfer and replacement sureties to Holnam. Copies of the new Reclamation Contract (FORM MR-RC) and surety bond are attached for your reference. Holnam has assumed the existing surety bond from Ideal Basic Industries through a surety rider (copy attached). Safeco Insurance Company of America is the surety providing/guaranteeing the surety bonds. This company is on the 1989 Federally published list of companies found acceptable as sureties and reinsurers on Federal bonds.

Page 2
Board Memo
M/045/012
October 9, 1990

On September 20, 1990, Division technical staff inspected the mine site with representatives from the Division of State Lands & Forestry, the Bureau of Land Management, and Holnam, Incorporated. State Lands recently cancelled Holnam's mineral lease due to insufficient and timely mineral development. The Division has forwarded reclamation recommendations to Holnam for the mine site. Holnam will likely be reclaiming the mine site in the near future. It is the Division's opinion that the existing surety is adequate to reclaim the present surface disturbance.

Thank you for your time and consideration in completing this permitting action.

jb
Attachments
WMN2/1-2

DOGM MINERALS PROGRAM

CHECK LIST FOR BOARD APPROVAL
OF
FORM AND AMOUNT OF SURETY

Mine Name POVERTY POINT Limestone QUARRY
File No. M/045/012

Item	Provided		Remarks
	Yes	No	
Executive Summary		X	Presented in July Hearing
Location Map		X	See above
Reclamation Bond Estimate		X	See above
Signed Reclamation Contract	X		
Signed Power of Attorney/ Affidavit of Qualification	X		
Bond	X		
Surety Signoff (Other State/Federal Agencies)		X	NA

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

DOGM
MINERALS PROGRAM
FILE COPY

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

---ooOoo---

1. (a) Notice of intention to be transferred (file number): ACT/045/012
(b) Name of mining operation: Poverty Point Limestone Quarry
(c) Location of mining operation (county): Tooele County
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):
Ideal Basic Industries Utah Division
6055 East Croydon Road Auxiliary Route No. 3
Morgan, Utah 84050 801-829-6821
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):
Holnam Inc. 313-529-2411
c/o Dundee Cement Company
P.O. Box 122
Dundee, Michigan 48131
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
L. B. Giles, Plant Manager 801-829-6821
Holnam Ideal Cement
6055 East Croydon Road Auxiliary Route No. 3
Morgan, Utah 84050
3. (a) The total disturbed area identified in the approved notice of intention: 59 acres
(b) The actual number of acres disturbed by the operation through date of transfer: 8.3 acres +9 acres associate roadway
(c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC).

SWORN STATEMENT OF TRANSFEROR

I, Robert J. Moir being first duly sworn under oath,
deposes and says that I am Vice President
(officer or agent)
of Ideal Basic Industries; and that I am duly authorized to
(Corporation/Company Name)
execute and deliver the foregoing obligations; that I have read the said
application and fully know the contents thereof; that all statements contained
in the transfer application are true and correct to the best of my knowledge
and belief. By execution of this statement I certify that the Transferor is
in full compliance with the Utah Mined Land Reclamation Act, the Rules and
Regulations promulgated thereunder, and the terms and conditions of Notice of
Intention No. ACT/045/012.

Robert J. Moir
Signature
Robert J. Moir
Name (Typed or Print)
Vice President
Title

Subscribed and sworn before me this 24th day of april, 1990.

B. H. Grozier
Notary Public

My commission Expires:

June 6,, 1993.

State of Colorado)
County of Denver) ss.
)

FINAL SWORN STATEMENT OF TRANSFeree

Robert J. Moir being first duly sworn under oath,
depose and say that I am Vice President
(officer or agent)
of Holnam, Inc; and that I am duly authorized to
(Corporation/Company Name)

execute and deliver the foregoing obligations; that I have read the
application and fully understand the contents thereof; that all statements
contained in the transfer application are true and correct to the best of my
knowledge and belief. By execution of this statement, the Transferee agrees
to be bound by the terms and conditions of Notice of Intention
No. ACT/045/012, the Utah Mined Land Reclamation Act, and the Rules and
Regulations promulgated thereunder.

Robert J. Moir
Signature
Robert J. Moir
Name (Typed or Print)
Vice President
Title

Subscribed and sworn before me this 24th day of April, 1990.

B. H. Frazier
Notary Public

My commission Expires:

June 6, 1993.

State of Colorado)
County of Denver) ss.
)

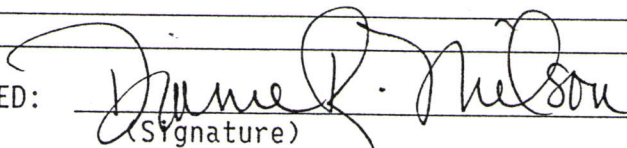
CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

- (a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC). The surety shall be effective on the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

COMMENTS:

APPROVED:


(Signature)


Director, Division of Oil, Gas and Mining

Effective Date:
NOI No.:

10-25-90

ACT/045/012

APPROVED AS TO FORM:


(Signature)

Assistant Attorney General

APPENDIX "A"

Legal Descriptions of Permitted and Disturbed Areas Permit ACT/045/012 Poverty Point, Tooele County, Utah

Permit ACT/045/012 concerns a 50 acre parcel (48 acres permitted area plus two acres used for roadway) centrally located in the S/2, Section 16, T.1 N., R.8 W. Tooele County, Utah, described as follows:

Beginning at a point on the west side of haul road. Said point is 160 feet west of the south quarter corner of said Section 16.

thence North 23 degrees 37' 46" East, 349.29 feet
thence North 58 degrees 54' 10" West, 367.86 feet
thence North 36 degrees 35' 58" West, 847.01 feet
thence North 32 degrees 51' 21" East, 1142.80 feet
thence South 52 degrees 11' 36" East, 734.10 feet
thence South 82 degrees 14' 05" East, 444.07 feet
thence South 31 degrees 46' 51" East, 541.13 feet
thence South 32 degrees 15' 49" West, 1058.42 feet
thence North 86 degrees 41' 53" West, 520.87 feet
thence South 22 degrees 25' 33" West, 340.77 feet
thence West 30.00 feet to the point of beginning.

To date, quarry activities have disturbed approximately 8.3 acres in the south-central part of the above described permitted area. The disturbed area is further described as follows:

Beginning at a point on the east side of haul road. Said point is 360 feet north of the south quarter corner of said Section 16.

thence North 42 degrees 47' 51" West, 735.94 feet
thence North 69 degrees 40' 37" East, 575.85 feet
thence South 49 degrees 17' 21" East, 567.27 feet
thence South 51 degrees 47' 20" West, 598.16 feet
to the point of beginning.

The above described permitted and disturbed areas are shown on attached map dcc 1496.

Permit ACT/045/012 in addition to the above described permitted area includes a 50 foot wide right of way for a haulage road that runs southerly and southeasterly from the quarry area to a paved highway leading to Rowley Junction at I-80. The right of way is 8,358 feet long and crosses portions of Sections 21, 22 and 27, T.1 N., R.8 W. The center line of this right of way is described as follows:

Beginning at a point in the center of the existing road that is South 89 degrees 50' West, 143.0 feet from the North quarter corner of said Section 21:

thence South 23 degrees 11' West, 475 feet
thence South 5 degrees 52' East, 600 feet
thence South 45 degrees 12' East, 772 feet
thence South 48 degrees 07' East, 3084 feet
thence South 39 degrees 02' East, 860 feet
thence South 39 degrees 01' East, 389 feet
thence South 41 degrees 59' East, 425 feet
thence South 56 degrees 42' East, 698 feet
thence South 56 degrees 37' East, 1055 feet
to a point that is in the west boundary of paved
highway going to Rowley Junction. Said point is
located 2539 feet South 76 degrees 01' East from
the corner common to Sections 21, 22, 27 and 28
aforesaid Township and Range.

The location of this haulage road is shown on attached print
dcc 1439

FORM MR-RC
Revised May 30, 1990
RECLAMATION CONTRACT

File Number M/045/012
Effective Date _____

RECEIVED
OCT 03 1990

DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) ACT/045/012
(Mineral Mined) Limestone

"MINE LOCATION":
(Name of Mine) Poverty Point Limestone Quarry
(Description) Portions of S 1/2 Section 16
T. 1 N., R. 8 W., Tooele County,
Utah (See Appendix A)

"DISTURBED AREA":
(Disturbed Acres) Quarry 8.3 Acres; Roadways 9.0⁺
(Legal Description) Appendix A

"OPERATOR":
(Company or Name) Holnam Inc.
(Address) C/O Dundee Cement Company
P.O. Box 122
Dundee, Michigan 48131
(Phone) 313 529-2411

"OPERATOR'S REGISTERED AGENT":

(Name)
(Address)

Holnam, Ideal Cement
L. B. Giles
6055 East Croydon Road

(Phone)

Morgan, Utah 84050
801 829-6821

"OPERATOR'S OFFICER(S)":

<u>Marc VonWyss</u>	<u>President & CEO</u>
<u>James J. Woods</u>	<u>Vice President</u>
<u>Robert J. Moir</u>	<u>V.P. General Counsel</u>

"SURETY":

(Form of Surety - Exhibit B)

Already on Record State Office
See attached letter

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Safeco Insurance Company of America

"SURETY AMOUNT":

(Escalated Dollars)

\$13,900

"ESCALATION YEAR":

1985 (for 20 acres) - \$695/acre in 1985

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

A "DISTURBED AREA":

B "SURETY":

Revision Dates:

<u>1984</u>	<u>1986</u>
<u>1982, 1983,</u>	<u>1984, 1985</u>

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. ACT/045/012 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.


NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing. If the surety contract expressly provides for cancellation, then, not less than 30 days, prior to the expiration date of the surety, the Operator shall provide a replacement surety in a form and amount acceptable to the Board. If the Operator fails to so provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin reclamation of the site. In addition, if the Operator fails to so provide an acceptable replacement surety, the Division may call or draw upon the full amount of existing surety prior to cancellation or expiration.
3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure to Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.

8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including attorneys fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this 25th day of October 19 90.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY 
Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

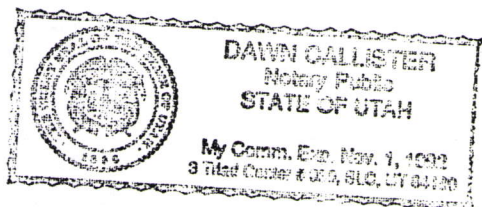
By DANNER NELSON
Director

10-25-90
Date

Danner P. Nelson
Signature

STATE OF _____)
COUNTY OF _____) ss:

On the _____ day of _____, 19 _____, personally appeared before me, who being duly sworn did say that he/she, the said _____ is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledge to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.



Dawn Callister
Notary Public
Residing at: Salt Lake City

November 1, 1992
My Commission Expires:

OPERATOR:

Operator Name: Holnam, Inc.

By Robert J. Moir, Vice President
Corporate Officer - Position

9-5-90
Date

Robert J. Moir
Signature

STATE OF COLORADO)
COUNTY OF DENVER) ss:

On the 5th day of September, 19 90, personally
appeared before me Robert J. Moir who being
by me duly sworn did say that he/~~she~~ the said Robert J. Moir
is the Vice President of Holnam Inc.
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
Robert J. Moir duly acknowledged to me that said
company executed the same.

R. K. Froziew
Notary Public
Residing at: Denver, Colorado

June 6, 1993
My Commission Expires:

SURETY:

SAFECO INSURANCE COMPANY OF AMERICA
Surety Company

By *Vera T. Kalba*
Company Officer - Position
Attorney-in-Fact

September 19, 1990
Date

Signature

STATE OF COLORADO)
COUNTY OF DENVER) ss:

On the 19th day of September, 1990, personally
appeared before me Pamela J. Hansen who being
by me duly sworn did say that he/she, the said Vera T. Kalba
is the Attorney-in-Fact of SAFECO INSURANCE COMPANY OF AMERICA
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
Vera T. Kalba duly acknowledged to me that said
company executed the same.

Pamela J. Hansen
Notary Public
Residing at: 1700 Lincoln St. #4900
Denver, CO 80203

My Commission Expires Nov. 17, 1990
My Commission Expires:

NOTE: An affidavit of Qualification must be completed and attached to this form
for each authorized agent or officer. Where one signs by virtue of Power of Attorney for
a company, such Power of Attorney must be filed with this Contract.



POWER
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE, SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. _____

KNOW ALL BY THESE PRESENTS:

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

-----PATRICIA A. PHILLIPS; VERA T. KALBA; MaSHARON D. POSEY; PAMELA J. HANSEN;
Denver, Colorado-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby

IN WITNESS WHEREOF, **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this _____ 9th _____ day of January, 19 90

CERTIFICATE

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 19th day of SEPTEMBER, 19 90

APPENDIX "A"

Legal Descriptions of Permitted and Disturbed Areas Permit ACT/045/012 Poverty Point, Tooele County, Utah

Permit ACT/045/012 concerns a 50 acre parcel (48 acres permitted area plus two acres used for roadway) centrally located in the S/2, Section 16, T.1 N., R.8 W. Tooele County, Utah, described as follows:

Beginning at a point on the west side of haul road. Said point is 160 feet west of the south quarter corner of said Section 16.

thence North 23 degrees 37' 46" East,	349.29 feet
thence North 58 degrees 54' 10" West,	367.86 feet
thence North 36 degrees 35' 58" West,	847.01 feet
thence North 32 degrees 51' 21" East,	1142.80 feet
thence South 52 degrees 11' 36" East,	734.10 feet
thence South 82 degrees 14' 05" East,	444.07 feet
thence South 31 degrees 46' 51" East,	541.13 feet
thence South 32 degrees 15' 49" West,	1058.42 feet
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thence West 30.00 feet to the point of beginning.	

To date, quarry activities have disturbed approximately 8.3 acres in the south-central part of the above described permitted area. The disturbed area is further described as follows:

Beginning at a point on the east side of haul road. Said point is 360 feet north of the south quarter corner of said Section 16.

thence North 42 degrees 47' 51" West,	735.94 feet
thence North 69 degrees 40' 37" East,	575.85 feet
thence South 49 degrees 17' 21" East,	567.27 feet
thence South 51 degrees 47' 20" West,	598.16 feet
to the point of beginning.	

The above described permitted and disturbed areas are shown on attached map dcc 1496.

Permit ACT/045/012 in addition to the above described permitted area includes a 50 foot wide right of way for a haulage road that runs southerly and southeasterly from the quarry area to a paved highway leading to Rowley Junction at I-80. The right of way is 8,358 feet long and crosses portions of Sections 21, 22 and 27, T.1 N., R.8 W. The center line of this right of way is described as follows:

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thence South 23 degrees 11' West, 475 feet
 thence South 5 degrees 52' East, 600 feet
 thence South 45 degrees 12' East, 772 feet
 thence South 48 degrees 07' East, 3084 feet
 thence South 39 degrees 02' East, 860 feet
 thence South 39 degrees 01' East, 389 feet
 thence South 41 degrees 59' East, 425 feet
 thence South 56 degrees 42' East, 698 feet
 thence South 56 degrees 37' East, 1055 feet
 to a point that is in the west boundary of paved highway going to Rowley Junction. Said point is located 2539 feet South 76 degrees 01' East from the corner common to Sections 21, 22, 27 and 28 aforesaid Township and Range.

The location of this haulage road is shown on attached print
 dcc 1439

DOGM
MINERALS PROGRAM
FILE COPY

State of Utah, Department of Natural Resources
Division of Oil Gas and Mining
355 W. North Temple, 3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

IDEAL

Re: Ideal merger into parent company Holnam Inc.
Transfer of Approval Order ACT/045/012

To: Permit Section:

Ideal Basic Industries, Inc. (hereinafter "Ideal"), hereby gives notice that on or about March 7, 1990, it will merge into its parent company, Holnam Inc. Ideal will cease to exist as an independent entity and all assets and liabilities of Ideal will be transferred by operation of law to Holnam Inc. The operations conducted at the Poverty Point Limestone Quarry located in Tooele County, Utah, however will remain in all aspects the same as when Ideal functioned as a subsidiary of the parent company, Holnam Inc.

We assume that your receipt of this statement of acceptance and the attached letter of bonding surety suffices to initiate the transfer of the Approval No. ACT\045\012 Poverty Point Limestone Quarry from Ideal, the former owner-operator, to Holnam Inc., the entity that will become the new owner-operator, on or about March 7, 1990.

Feb. 15, 1990

Yours truly,



T. Frank Gamble
Vice President and General Manager
Utah Division, Ideal Basic Industries



6 Stamford Forum
STAMFORD, CT 06901
Telephone 203/978 00 50
Telefax 203/325 00 82

Hof North America, Inc.

Transfer Agreement

This Agreement is entered into this date by Ideal Basic Industries, Inc. (hereinafter "Ideal"), and Holnam Inc. in order to effect a transfer of Department of Natural Resources Approval No. ACT/045/012 Poverty Point Limestone Quarry, Tooele County, and the responsibility, coverage and liability thereunder from Ideal to Holnam Inc.

On the date such transfer becomes effective, Holnam Inc. agrees to assume the responsibility, coverage and liability of Permit No. ACT/045/012 and Ideal agrees to relinquish all rights which it may have under said permit.

This agreement is entered into by both parties this 15th day of February, 1990. The Transfer is to become effective on or about March 7, 1990.

Charles R. Johnson
Witness

IDEAL BASIC INDUSTRIES
By: David T. Lurman
Senior Vice President
Signature and Title of
Responsible Corporate
Officer (Vice President
or Higher)

Sharon M. Wendel
Witness

HOLNAM INC.
BY: Robert J. Nain
Vice President
Signature and Title of
Responsible Corporate
Officer (Vice President
or Higher)

Feb. 15, 1990



SURETY RIDER

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY
OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

To be attached to and form a part of

Type of Bond: Mined Land Reclamation

Bond No. 4123148

dated effective February 20, 1981

(Month, Day, Year)

executed by IDEAL BASIC INDUSTRIES, INC., as principal,
(Principal)

and by Safeco Insurance Company of America, as surety,
(Surety)

in favor of State of Utah, Department of Natural Resources

(Obligee)

In consideration of the mutual agreements herein contained the
Principal and the Surety hereby consent to changing

Name of Principal

From: Ideal Basic Industries, Inc.

To: HOLNAM INC.

Nothing herein contained shall vary, alter or extend any provision
or condition of this bond except as herein expressly stated.

This rider is effective March 7, 1990
(Month, Day, Year)

Signed and Sealed February 28, 1990
(Month, Day, Year)

HOLNAM INC.

Principal

By: Robert D. Min

Vice President
Title

Safeco Insurance Company of America

Surety

By: Vera T. Kalba

Vera T. Kalba

Attorney-In-Fact



POWER
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. _____

KNOW ALL BY THESE PRESENTS:

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

-----PATRICIA A. PHILLIPS; VERA T. KALBA; MaSHARON D. POSEY; PAMELA J. HANSEN;
Denver, Colorado-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby

IN WITNESS WHEREOF, **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this _____ 9th _____ day of January, 19 90

CERTIFICATE

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 28th day of FEBRUARY, 19 90